

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1346532-0

Total Deleted Page(s) = 35

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X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXXXXXXXXXX

^PAGE 3 NK 29B-9961, UNCLAS

ALSO, FOR THE INFORMATION OF THE BUREAU IT IS NOTED THAT CAPTIONED CASE WAS RANKED AS THE MOST SIGNIFICANT BANK FRAUD CASE IN THE UNITED STATES ATTORNEY'S OFFICE, DISTRICT OF NEW JERSEY "SIGNIFICANT CASES REPORT" FOR THE PERIOD OF 1991-1993.

BT

United States District Court

9003996

DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA

V.

SUBPOENA

THEODORE KRUCKEL and
ROBERT LIBUTTI

CASE NUMBER: CR. 92-611

TYPE OF CASE

☐ CIVIL

☒ CRIMINAL

SUBPOENA FOR

☐ PERSON

☒ DOCUMENT(S) or OBJECT(S)

TO:

CUSTODIAN OF RECORDS
NEW JERSEY BELL
1196 EAST GRAND STREET
ELIZABETH, NEW JERSEY

YOU ARE HEREBY COMMANDED to appear in the United States District Court at the place, date, and time specified below to testify in the above case.

PLACE

United States Post Office
and Courthouse
401 Market Street
Camden, NJ

COURTROOM

Honorable
Jerome B. Simandle

DATE AND TIME

June 11, 1993
9:45 A.M.

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):*

Subscriber information and address for telephone number (201)
543-0298.

☐ See additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

U.S. MAGISTRATE OR CLERK OF COURT

WILLIAM T. WALSH

DATE

June 1, 1993

This subpoena is issued upon application of the:

☐ Plaintiff ☐ Defendant ☒ U.S. Attorney
MICHAEL CHERTOFF

QUESTIONS MAY BE ADDRESSED TO

U.S. Attorney's Office
970 Broad St., Newark, NJ 07102

ATTORNEY'S NAME ADDRESS AND PHONE NUMBER

b6
b7C

*If not applicable, enter "none"

To be used in lieu of ADRV

FORM OBD 226
JAN 86

RETURN OF SERVICE ⁽¹⁾			
RECEIVED BY SERVER	DATE	PLACE	
SERVED	DATE	PLACE	
SERVED ON (NAME)		FEES AND MILEAGE TENDERED TO WITNESS ² <div style="text-align: right;"> <input type="checkbox"/> YES <input type="checkbox"/> NO AMOUNT \$ _____ </div>	
SERVED BY		TITLE	
STATEMENT OF SERVICE FEES			
TRAVEL	SERVICES		TOTAL
DECLARATION OF SERVER ⁽²⁾			
<p>I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.</p> <p>Executed on _____ <div style="display: flex; justify-content: space-between; width: 80%; margin-left: 10%;"> <i>Date</i> <i>Signature of Server</i> </div> <div style="margin-left: 10%; margin-top: 10px;"> _____ <i>Address of Server</i> </div> </p>			
ADDITIONAL INFORMATION			

(2) "Fees and mileage need not be tendered to the deponent upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

(Indicate page, name of newspaper, city and state.)

(Mount Clipping in Space Below)

Date:
Edition:

Title:

Character:
or
Classification:
Submitting Office:

Indexing:

6/12/93
THE RECORD
PAGE 4

29B-9961

Accused swindler loses round in court

By DAVID VOREACOS
Staff Writer

CAMDEN — A judge ruled Friday that a federal agent acted in good faith when seeking a warrant to search the Saddle River home of compulsive gambler Robert LiButti, who is charged with bank fraud and tax evasion.

However, U.S. District Judge Jerome B. Simandle said that he would not rule until later this month on LiButti's argument that the Internal Revenue Service warrant for the 1991 search was too broad.

IRS agents seized 15 firearms and records on LiButti's horse-race consulting business during the search. But LiButti contends

that IRS Special Agent Anthony Luceri lied to the federal judge who approved the warrant.

Simandle also set a Sept. 13 trial date for LiButti and codefendant Theodore Kruckel, who did not speak to each other in court and are seeking separate trials.

Outside the courtroom, LiButti derided prosecutors and the IRS.

"I'm no criminal," LiButti said, his voice rising with anger. "I'm no con man. I'm a hard-working guy with a lot of talent, and they hate that. It's been harassment for 21 years. . . . The government is so corrupt, it's pathetic."

A craps player who lost more than \$12 million in Atlantic City casinos, LiButti is charged along

with Kruckel, former president of the Urban National Bank, with bank fraud, conspiring to defraud the bank of \$3.4 million, and making false statements. Kruckel, who resigned in 1991 after 19 years as president of the Franklin Lakes bank, also is charged with perjury and obstruction of justice.

LiButti also is charged with evading payment of \$3.3 million in income taxes in 1970, 1971, 1987, and 1988, and illegally possessing the guns. He was convicted of filing false income-tax returns for 1970 and 1971 and cannot own guns.

The two men's antagonism in the small courtroom was obvious. Their lawyers said a joint trial

would harm each man's defense strategy.

Simandle did not rule Friday on the separate trial request, which prosecutors oppose.

Kruckel's attorney, James Plaisted, said that LiButti defrauded Kruckel and the bank, while LiButti said in an interview that Kruckel perjured himself before federal banking regulators and "pretended he was swindled."

Prosecutors allege that Kruckel and LiButti defrauded the bank between September 1985 and March 1987 through unauthorized overdrafts, an unauthorized cashier's check, and loans to third parties who gave the money to LiButti.

29B-9961-111

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 14 1993	
FBI - NEWARK	

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

REQ # 93-68
(SOG USE ONLY)

MEMORANDUM

TO: SUPERVISOR, SPECIAL OPERATIONS GROUP (SOG), C-3 b6
b7C
FROM: SUPERVISOR , SQUAD/RA GMRA-SQUAD 2
SUBJECT: SURVEILLANCE ASSISTANCE REQUEST DATE 7/13/93
CASE TITLE: TED KRUCKEL, JR., PRESIDENT,
URBAN NATIONAL BANK OF FRANKLIN LAKES NJ;
ROBERT LIBUTTI; ET AL; FIF OO: NK
FILE #: 29B-9961

CASE AGENT

ALTERNATE
CASE AGENT

NAME:
OFFICE PHONE: 201/684-6614 X146
HOME PHONE:
BEEPER #: 201/916-7438

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b7C

INSTRUCTIONS: Complete all of the following items that are applicable to this request and submit all three copies to the SOG Supervisor after obtaining the approvals of the Case Supervisor and the SAC/ASAC as indicated below.

1. REQUESTED SERVICE(S):

b7E

APPROVALS:Case Supervisor: 

SAC/ASAC:

SOG Supervisor: 

(Block Stamp Only)

29B-9961
1-Case File
1-66I-4182J
1-SOG Supervisor

29B-9961-116

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 02 1993	
FBI - NEWARK	

Wetzel

2. BRIEF SYNOPSIS OF THE CASE: ROBERT LIBUTTI & TED KRUCKEL
CONDUCTED A BANK FRAUD RESULTING IN A LOSS OF
\$3 MILLION & EVADED PAYMENT OF \$6 MILLION
IN TAXES.

3. WHAT IS THE PURPOSE OF THE SURVEILLANCE/PHOTO MISSION?
PHOTOS OF LIBUTTI'S CURRENT RESIDENCE
(HOUSE IN MENDHAM TOWNSHIP) TO BE USED
AS TRIAL EXHIBIT

4. WHAT SPECIFIC FACTS OR INFORMATION ARE TO BE OBTAINED?
N/A

5. WHAT IS THE ANTICIPATED DURATION OF THE SURVEILLANCE?
N/A From: Day Date Through: Day Date OR
On: Day Date

DURING THE FOLLOWING HOURS:

- ☐ 8 am to 4 pm
- ☐ 4 pm to 12 Mid
- ☐ 12 Mid to 8 am
- ☐ Other to

6. ARE YOU REQUESTING SURVEILLANCE OF:
☐ Subjects
☐ Associates
☐ Vehicles
☐ Meetings
☒ Locations
☐ Objects (Specify)
☐ Other (Specify)

7. ARE YOU REQUESTING PHOTOS OF:
☐ Subjects
☐ Associates
☐ Vehicles
☐ Meetings
☒ Locations
☐ Objects (Specify)
☐ Other (Specify)

8. NUMBER OF SUBJECTS TO BE SURVEILLED: N/A
9. NUMBER OF LOCATIONS TO BE SURVEILLED: N/A

10. HAS PREVIOUS SURVEILLANCE OF THE SUBJECT(S) OR LOCATION(S) BEEN CONDUCTED?

[] Yes ☒ No

11. IF YES, WHEN? From _____ To _____

12. BY WHOM? _____ Phone _____

13. WHAT WERE THE RESULTS?

N/A

14. WHAT OTHER SQUADS, DEPARTMENTS, OR AGENCIES ARE AWARE OF THIS SURVEILLANCE?

I.R.S.

15. WILL ANY OF THEM PARTICIPATE IN THE SURVEILLANCE?

[] Yes ☒ No

IF YES, WHICH ONE? N/A

16. LIST ALL SIMILARLY ACTIVE SUBJECTS OR LOCATIONS IN THE VICINITY OF THE SURVEILLANCE:

NONE KNOWN

Name: _____

Address: _____

Association: _____

Name: _____

Address: _____

Association: _____

Name: _____

Address: _____

Association: _____

17. OTHER INFORMATION OF PERTINENT VALUE INCLUDING SUBJECT'S DAILY ROUTINE, SURVEILLANCE AWARENESS, MODE OF TRAVEL, ETC.:

N/A

18. ATTACH ANY AVAILABLE DIAGRAMS, FLOOR PLANS, ETC., OF THE SURVEILLANCE LOCATION. *DIAGRAM / MAP WILL BE PROVIDED.*
19. NOTIFY OTHER CASE AGENTS, SQUADS, ETC., TO HAVE NO CONTACT WITH THE SUBJECT(S) PRIOR TO OR DURING THE PERIOD OF THE SURVEILLANCE.
20. LIST ANY SPECIAL INSTRUCTIONS OR ADDITIONAL COMMENTS RELEVANT TO THIS REQUEST:

NONE

21. IF SUBJECT(S) IS A POSSIBLE TITLE III TARGET, COMPLETE ITEMS #22-27:

22. ON OR ABOUT WHAT DATE WILL THE AFFIDAVIT BE SUBMITTED? _____
23. ON OR ABOUT WHAT DATE WILL THE ORDER BE OBTAINED? _____
24. WHICH SUBJECT IS THE TARGET? NAME _____
25. WHICH LOCATION IS THE TARGET? ADDRESS _____
26. ATTACH A COPY OF THE AFFIDAVIT AND/OR ORDER, IF AVAILABLE.
27. HAS A TECHNICAL ASSISTANCE REQUEST (NK 37) BEEN SUBMITTED FOR THE ANTICIPATED TITLE III COVERAGE?

[] Yes [] No

28. DUPLICATE ATTACHED SUBJECT AND ASSOCIATE DATA SHEETS, AS NECESSARY, AND FILL OUT APPROPRIATE SHEET FOR EACH SUBJECT/ASSOCIATE. IF THE OBJECT OF THE SURVEILLANCE IS NOT A PERSON, PROVIDE APPROPRIATE INFORMATION ON A "SUBJECT DATA SHEET."

SUBJECT DATA SHEET

(USE A SEPARATE SHEET FOR EACH SUBJECT PERTINENT TO THE SURVEILLANCE)

IS THE BELOW DESCRIBED INDIVIDUAL ARMED & DANGEROUS? [] Yes ☒ No
IF YES, GIVE PREDICATION/BACKGROUND _____

NAME: ROBERT LIBUTTI

RACE: W SEX: M AGE: 61 HEIGHT: 5'9" WEIGHT: 225

BUILD: LAUGH HAIR: _____ EYES: _____ GLASSES: _____

MUSTACHE/BEARD: NONE OTHER: _____

RESIDENCE NUMBER AND STREET 9 WOODLAND RD. APT. # _____

CITY MELBOHAM TOWNSHIP STATE NJ PHONE () _____

BUSINESS NAME N/A

NUMBER AND STREET _____

CITY _____ STATE _____ PHONE () _____

OTHER ADDRESS FREQUENTED BY SUBJECT

NAME: N/A

NUMBER AND STREET _____ APT. # _____

CITY _____ STATE _____ PHONE () _____

VEHICLES

	#1	#2	#3
OWNER			
YEAR			
MAKE			
MODEL			
COLOR			
LICENSE			
STATE			
VIN			
PRIMARY DRIVER			

IMPORTANT: ATTACH PHOTOGRAPHS OF SUBJECT AND RESULTS OF INDICIES,
DMV, OCIS, AND CRIMINAL RECORD CHECKS.

OTHER COMMENTS/INFORMATION: _____

(Mount Clipping in Space Below)

Bank fraud trial hears of an unholy alliance

By JOSEPH D. McCAFFREY

Whenever Theodore Kruckel, former president of the Urban National Bank in Franklin Lakes, was approached for money by Robert Libutti, one of the biggest losers in Atlantic City's 15-year casino gambling history, Kruckel gave it to him, according to the prosecutor in Kruckel's federal bank fraud trial in Camden yesterday.

Kruckel approved millions of dollars in loans to Libutti while bypassing bank rules and hiding the paperwork, Assistant U.S. Attorney Deborah Gannett told the jury in Camden. As a result, Gannett said Urban National Bank lost \$3.4 million.

Kruckel and Libutti, of Saddle River, are charged with siphoning off more than \$3.4 million from the Urban National Bank between 1985 and 1987. Libutti will be tried separately.

Gannett said Kruckel kept the money flowing to Libutti, in the form of a \$500,000 loan, then a \$1 million loan through a man named John Balis, who she said was a real estate developer from Texas, then a \$1,250,000 loan through a "nominee," an unemployed automobile salesman named James Roberts, and finally more than \$1.2 million overdrawn from Libutti's account with the approval of Kruckel.

Gannett said the government will produce witnesses who will tell how Kruckel made essentially unsecured loans to other people when he knew the money was ultimately going to Libutti. She said when the bank examiners were closing in, Kruckel perjured himself to cover up the loans and told one of the "nominees" when questioned by bank examiners, "Don't worry about it; just stick to your story."

Defense lawyer James Plaisted told the jury Kruckel is a victim of the

deceit of Libutti, his former friend.

"Libutti is a con artist who deceived Ted Kruckel. He is a horse-player who travels in successful circles," Plaisted told the jury.

Plaisted said Kruckel had been at the bank for 30 years and had helped build it up. He said Kruckel owned about 10 percent of the bank so if he was defrauding anybody, he was defrauding himself.

"Ted Kruckel was an owner of the bank. It was his own money. You may wonder if these charges are criminal. Every banker makes loans; some were character loans.

"Ted Kruckel would trust people personally. He was a personal banker. This case is about misplaced trust. Ted Kruckel trusted the wrong person in Bob Libutti."

Plaisted said that after Libutti "pulled the plug" and stopped making payments on his loans, "the bank tried to collect."

"Meanwhile, Libutti took millions to the casinos in Atlantic City and none to the Urban National Bank," Plaisted told the jury.

Libutti gained notoriety in Atlantic City when he demanded that black and female dealers be removed from the tables at which he was gambling. He was said to have used obnoxious and insulting language to achieve that end.

Several casinos were fined hundreds of thousands of dollars for granting Libutti's requests.

Libutti allegedly lost more than \$12 million on the tables of Atlantic City in the late 1980s.

He later was banned from all Atlantic City casinos by the Casino Control Commission.

(Indicate page, name of newspaper, city and state.)

The Star-Ledger

Date: September 15, 1993
Edition: PG 22

Title: Bank fraud trial hears
of an unholy alliance

Character:
or
Classification:
Submitting Office: Newark

Indexing:

24B-NK-9961-117

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 15 1993	
FBI - NEWARK	

Memorandum



To : SAC, NEWARK (29B-9961) (P) (GMRA 2) Date 9/22/93

From : *jm* FA [redacted]

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b7C

Subject: THEODORE VINCENT KRUCKEL,
ROBERT LI BUTTI, ET AL;
URBAN NATIONAL BANK (UNB)
FRANKLIN LAKES, N.J. - VICTIM
FIF
OO: NEWARK

On 9/21/93, writer contacted [redacted]
[redacted] TRUMP PLAZA, Atlantic City, New Jersey, [redacted]
[redacted] Writer stated that he was in the possession of copies
of two (2) Cashier's Checks issued by UNB to subject ROBERT
LI BUTTI. The first check, number 152415, was in the amount of
\$100,000.00, and the second check, number 152416, was in the
amount of \$50,000.00. Both checks were dated September 15, 1986.

b6
b7C
me

After being advised that both checks bore the
endorsements of LI BUTTI and "Deposit to T.P.A. Acct# 258-757-4",
[redacted] verified that the checks were in fact negotiated to
TRUMP PLAZA by virtue of the above-stated endorsement.
[redacted] further stated that the account number listed was an
account held by TRUMP PLAZA at MIDLANTIC NATIONAL BANK SOUTH,
Pennsauken, New Jersey, which was where the check was negotiated.

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b7C

[redacted] also stated that the initials T.P.A. stood
for TRUMP PLAZA ASSOCIATES, the parent company of TRUMP PLAZA.

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On the same date, writer also contacted [redacted]
[redacted] BALLY'S GRAND CASINO HOTEL,
Atlantic City, New Jersey [redacted] Writer stated that he
was in the possession of a copy of a Cashier's Check issued by
UNB and made payable to LI BUTTI. The check, number 150835, dated
October 25, 1985, was in the amount of \$500,000.00.

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b7C

② Newark
(2)
ja

29B-9961-130

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 22 1993	
FBI - NEWARK	

me

del
10/68

NK 29B-9961

After being advised that the check appeared to be negotiated to "GNOC" and bore the endorsement of LI BUTTI and "GNOC, CORP." [redacted] verified that the check had in fact been negotiated to the GOLDEN NUGGET CASINO, which was subsequently purchased by BALLY'S GRAND on March 1, 1987. [redacted] further stated that the GOLDEN NUGGET held a holding account at FIRST FIDELITY BANK NA SOUTH JERSEY at the time, which was where the check was negotiated.

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b7C

[redacted] also stated that the initials GNOC stood for GOLDEN NUGGET OPERATING COMPANIES.

b6
b7C

Memorandum



To : SAC, NEWARK (298-9961)

Date 10/26/93

From : SA [REDACTED] (GMRA II)

b6
b7C

Subject: THEODORE VINCENT KRUCKEL JR., aka, —
Ted Kruckel, Jr.,
President,
URBAN NATIONAL BANK OF
FRANKLIN LAKES, NEW JERSEY;
ET AL;
BF&E
OO: NEWARK

On 10/29/92, subjects THEODORE KRUCKEL and ROBERT LIBUTTI were indicted for Bank Fraud, Conspiracy, Perjury and Failure to Pay Income Tax. The Bank Fraud involved \$3.25 million in fraudulent nominee loans which were used by LIBUTTI, whom the NEWARK STAR LEDGER has reported to be Atlantic City's biggest loser (\$12 million) to pay gambling debts. KRUCKEL, who is the former President of URBAN NATIONAL BANK (UNB) of Franklin Lakes, NJ, knowingly allowed LIBUTTI to defraud the bank. KRUCKEL is the son-in-law of NEVINS MC BRIDE, Chairman of the Board of UNB and owner of MC BRIDE CONSTRUCTION.

After several pre-trial hearings and several postponements District Judge JEROME SIMANDLE, Camden, NJ, (100 miles from GMRA) severed the case and KRUCKEL's trial began on 9/13/93. On 10/15/93, the jury found KRUCKEL guilty of fraudulently issuing a \$1.25 million loan to ROBERT LIBUTTI. KRUCKEL is to be sentenced on 1/7/94.

In the weeks prior to KRUCKEL's trial there was substantial witness preparation on the part of SA [REDACTED] and the U.S. Attorney's Office. The extensive witness prep continued throughout the duration of the 5 week KRUCKEL trial. It is expected that the witness prep for the LIBUTTI trial will be as intensive as in the KRUCKEL trial.

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LIBUTTI's trial is scheduled to begin on 1/10/94, and will last approximately seven weeks. Approximately 40 witnesses are scheduled to be called to testify in the government's case.

-Newark
GJI/eo
(~)

298-9961-124

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 27 1993	
FBI - NEWARK	

This case has been listed as one of GMRA II top five cases since June, 1992 and is considered by U.S. Attorney's [redacted] [redacted] as one of their top cases.

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b7C

SA [redacted] has used a significant amount of his investigative time developing captioned matter, [redacted] [redacted] and ultimately for trial.

b3
b6
b7C

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 11/3/93

FM FBI NEWARK (29B-9961) (P)

TO DIRECTOR FBI/ROUTINE/

BT

UNCLAS

CITE: //3510:3413//

SUBJECT: THEODORE VINCENT KRUCKEL, JR., AKA TED KRUCKEL,
JR., PRESIDENT, URBAN NATIONAL BANK OF FRANKLIN LAKES, NEW
JERSEY; ROBERT LIBUTTI, AKA ROBERT PRESTI; ET
AL; FIF; OO: NEWARK.

RE: NEWARK TELETYPE TO THE BUREAU DATED 11/16/92.

FOR INFORMATION OF THE BUREAU, ON 10/15/93, CAPTIONED
SUBJECT AND FORMER BANK PRESIDENT, THEODORE KRUCKEL WAS
CONVICTED FOR HIS PART IN THE ISSUANCE OF A \$1,250,000 LOAN TO
ROBERT LIBUTTI. THE LOAN WAS GRANTED BY KRUCKEL WITH INTENT
TO INJURE AND DEFRAUD URBAN NATIONAL BANK. HE IS SCHEDULED TO

29B-9961-125
SEARCHED INDEXED
SERIALIZED FILED

Approved: Approved by SSRA in GMRA 2188 Original filename: EG0002W.307 GJI
Time Received: 1776/307 Telprep filename: EG000250.307
MRI/JULIAN DATE: 1776/307 ISN: 22
FOX DATE & TIME OF ACCEPTANCE: 2218 11/3/93 KPC

^PAGE 2, NK 29B-9961, UNCLAS

BE SENTENCED ON 1/7/94, BEFORE DISTRICT COURT JUDGE JEROME SIMANDLE.

AS THE BUREAU HAS BEEN PREVIOUSLY ADVISED KRUCKEL AND ROBERT LIBUTTI WERE INDICTED ON 10/29/92. AFTER NUMEROUS PRE-TRIAL HEARINGS THE JUDGE RULED THAT THE TRIAL WILL BE "SEVERED." KRUCKEL'S TRIAL STARTED ON 9/13/93, IN CAMDEN, NJ, AND HE WAS FOUND GUILTY AND CONVICTED ON 10/15/93.

ROBERT LIBUTTI'S TRIAL WAS SCHEDULED TO BEGIN 10/25/93, BUT WAS POSTPONED TO 1/10/94. LIBUTTI WILL BE TRIED FOR VIOLATIONS OF BANK FRAUD, CONSPIRACY AND FAILURE TO PAY INCOME TAX AND POSSESSION OF A FIREARM BY A CONVICTED FELON.

IT IS ANTICIPATED THAT LIBUTTI'S TRIAL WILL RECEIVE SIZEABLE PUBLICITY WITHIN THE REGIONAL AREA DUE TO THE FOLLOWING FACTS.

- 1) LIBUTTI IS A WELL KNOWN FIGURE IN THOROUGHBRED RACING AS THE AGENT FOR A SERIES OF SUCCESSFUL RACEHORSES, SOME OF WHICH RAN IN THE KENTUCKY DERBY.

- 2) LIBUTTI IS ALSO A WELL KNOWN FIGURE IN VARIOUS ATLANTIC CITY CASINOS, LIBUTTI IS REPORTEDLY THE BIGGEST LOSER IN CASINO HISTORY, \$12 MILLION SINCE 1986.

^PAGE 3, NK 29B-9961, UNCLAS

BT

(Mount Clipping in Space Below)

(Indicate page, name of newspaper, city and state.)

The Jersey Journal

Date: January 11, 1994
Edition: PG 5

Title: Fraud trial starts for gambler who lost millions

Character:
or
Classification:
Submitting Office: Newark

Indexing:

Fraud trial starts for gambler who lost millions

By The Associated Press

CAMDEN — Jury selection began yesterday in the bank fraud trial for a former Atlantic City high roller who lost millions before he was banned from the casinos.

Robert Libutti, 63, is charged with collecting \$3.4 million in improperly authorized loans from a North Jersey bank between 1985 and 1987. He is also charged with evading \$3 million in income tax and with weapons offenses.

Testimony in the case is expected to begin later this week.

Libutti, well-known in New Jersey thoroughbred racing circles, has denied the allegations. He has said the loans were made when he gambled

heavily in Atlantic City and were used to pay debts and finance more gambling.

A co-defendant, Theodore V. Kruckel, the former president of Urban National Bank of Franklin Lakes, was found guilty last October of funneling \$1.25 million to Libutti. He was cleared of conspiracy and perjury charges.

Kruckel, 56, faces up to five years in prison, \$250,000 in fines, and restitution when sentenced Friday by U.S. District Judge Jerome Simandle.

The federal indictment — handed down in October 1992 — followed several highly publicized flaps between Libutti and the New Jersey Casino Control Commission.

The commission accused Libutti of

making derogatory comments about minority and female dealers and demanding that they be removed from the tables where he gambled.

He later came under scrutiny for alleged organized crime ties, which he denied.

In 1991, Libutti was barred from the casinos. The Saddle River thoroughbred horse consultant has estimated his losses at between \$8 million and \$9 million between 1985 and 1991.

Federal prosecutors said Kruckel and Libutti were friends who enjoyed horse racing and Atlantic City casinos together. Kruckel, who resigned as president of the bank in October 1991, was charged with violating bank regulations and his own bank's internal controls by approving loans to Libutti.

293-NK-7961-127

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 11 1994	
FBI — NEWARK	
FBI/DOJ	

2-11-94

Accomplishment Report

(Accomplishment must be reported and loaded into ISRAA within 30 days from date of accomplishment)

Date Prepared 3/9/94

Date Loaded _____

Data Loader's initials _____

Squad Supervisor approval (please initial)

Does Accomplishment Involve:
(check all that apply)

- Drugs - ☐
 A Fugitive ☐
 Bankruptcy Fraud ☐
 Computer Fraud/Abuse ☐
 Corruption of Public Officials ☐
 Forfeiture Assets ☐

Assisting Agents Soc. Sec. No. X
 1. - -
 2. - -

Serial No. of FD-515
128

File Number
29B-9961

Stat Agent Soc. Sec. No.

RA Squad
G M R A G M 2

Task Force

Investigative Assistance or Technique Used

1 = Used, but did not help
 2 = Helped, minimally

3 = Helped, substantially
 4 = Absolutely essential

b6

b7C

b7E

Rating	IAT	Rating	IAT	Rating	IAT
	Financ. Analyst Asst.		Informant Info.		Tech. Agnt or Equip.
	Aircraft Assistance		Lab. Div. Exams		Telephone Toll Recs.
	Computer Assistance		Lab. Div. Field Supt.		UCO - Group I
	Consensual Monitor		Pen Registers		UCO - Group II
	ELSUR / FISC		Photograph Coverage		UCO - Other
	ELSUR / Title III		Polygraph Assistance		NCAVC / VI - CAP
	Eng. Sect. Field Supt.		Search Warrants Exec.		Visual Invest. Anal.
	Eng. Sect. Tape Exams		Show Money Usage		Crisis Neg. - Fed.
	Hypnosis Assistance		SOG Assistance		Crisis Neg. - Local
			Swat Team Action		ERT Assistance

A. Complaint / Information / Indictment

Complaint Date _____
 Check if Civil/ Rico Complaint ☐
 Information Date _____
 Indictment Date _____
 Also Complete Section I

B. Arrest / Locate / Summons

Arrest Date _____
☐ Federal ☐ Local ♦
 Subject Priority: ☐ A ☐ B ☐ C
☐ Subject Resisted
☐ Subject was Armed
 Locate Date _____
 Subject Priority: ☐ A ☐ B ☐ C
 Summons Date _____
☐ Federal ☐ Local ♦

C. Hostage(s) Released Date

Released by: ☐ Terrorists ☐ Other
 Number of Hostages: _____
 Child Located Date _____

D. Recovery / Restitution / Potential Economic Loss Prevented (PELP) X ♦

Recovery Date _____
☐ Federal ☐ Local
 Restitution Date _____
☐ Court Ordered
☐ Pretrial Diversion
 PELP Date _____

Code *	Amount	Code *	Amount
	\$		\$
	\$		\$
	\$		\$

E. Civil / Rico Matters Date

Also Complete Section I
 Judgment _____
 Judicial Outcome _____ X ♦
 Fines: \$ _____
 Suspension:

Years	Months

F. AFA Payment Date

Amount: \$ _____

G. Administrative Sanctions Date

Type: Length:
☐ Suspension ☐ Permanent
☐ Debarment ☐

Years	Months

☐ Injunction

Subject Description Code _____

H. Final Judicial Process Conviction

Also Complete Section I
 Date of Conviction: 2/18/94
 Date of Sentence: _____
 Judicial State: NJ District: NJ
 Sentence type: _____
 Sentence Term: _____

☒ Federal
☐ Local ♦

☒ Felony
☐ Misdemeanor

☐ Plea
☒ Trial

In-Jail	Suspended	Probation
Years	Months	Years

Fines: \$ _____

I. U.S. Code Violations

Title	Section	Counts	Title	Section	Counts
18	2381 371	1	26	7201	1
18	1344	1	26	7203	2

Required for Sections A, E, and H (Conviction)

Optional for Section B (arrest)

b7E

Acquittal / Dismissal / Pretrial Diversion

Acquittal Date _____
 Dismissal Date _____
 Pretrial Diversion Date _____

J. Subject Information (Required for Sections A, B, D (Restitution), E, F, G, and H)

Name	Date of Birth	Race *	Sex	Place of Birth (if available)	Social Security No. (if available)
ROBERT LIBUTTI	2/20/30	W	M	UNION CITY, N.J.	145-24-4417

☐ Subject Related to an LCN, Asian Organized Crime (AOC), or Italian Organized Crime (IOC) Group. (Submit form FD-515a for indictments and convictions only)

X Additional information may be added by attaching another form or a plain sheet of paper for additional entries.

♦ Requires that a written explanation on plain paper be attached. (Court Ordered Restitution does not require a written explanation)

• See codes on reverse side

SEARCHED _____ INDEXED _____
 SERIALIZED _____ FILED _____
29B-9961-128

(Mount Clipping in Space Below)

Banker gets three years for fraud

By JOSEPH D. McCAFFREY

The former president of the Urban National Bank of Franklin Lakes, Theodore Kruckel, has been sentenced to three years in prison for a fraud which cost his bank \$1.25 million.

Kruckel, 56, convicted in October, was ordered to pay restitution of \$500,000 and fined \$50,000 by U.S. District Court Judge Jerome B. Simandle in Camden.

Simandle told Kruckel he is not convinced that the banker has acknowledged committing a crime.

"I'm struck with the fact that Mr. Kruckel doesn't seem to get it; he has committed a crime," the judge said.

He said Kruckel was arrogant in believing that he could make any loan he wanted and get away with it. Urban National Bank was not a failed bank, the judge said, "But Mr. Kruckel's practices and abuses were the same as we are seeing over and over through the savings and loan crises. Mr. Kruckel could not take any credit that it didn't fail."

Kruckel was charged with Robert Libutti of Saddle River, a horse racing figure in New Jersey and one of the biggest losers at Atlantic City's gambling tables.

Libutti has been convicted of attempting to defraud the IRS by hiding his assets to avoid paying taxes and of participating in the bank fraud. Libutti is scheduled to be sentenced by Simandle on May 27.

Libutti owns Buck Chance Stables and has served as agent for a string of successful race horses.

(Indicate page, name of newspaper, city and state.)

The Star-Ledger

Date: May 19, 1994

Edition: PG 27

Title: Banker gets three years for fraud

Character:

or

Classification:

Submitting Office: Newark

Indexing:

29B-NK-9861-129

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 19 1994	
FBI - NEWARK	

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 5/23/94

FM FBI NEWARK (29B-9961) (P)

TO DIRECTOR FBI/ROUTINE/

BT

UNCLAS

CITE: //3510:3413//

SUBJECT: THEODORE VINCENT KRUCKEL, JR., AKA TED KRUCKEL, JR.,
 PRESIDENT, URBAN NATIONAL BANK OF FRANKLIN LAKES, NEW JERSEY;
 ROBERT LIBUTTI, AKA ROBERT PRESTI; ET AL; FIF; OO: NEWARK.

RE: NEWARK TELETYPE TO THE BUREAU, DATED 11/3/93.

FOR INFORMATION OF THE BUREAU, ON 5/17/94, CAPTIONED
 SUBJECT AND FORMER BANK PRESIDENT KRUCKEL (CONVICTED ON
 10/15/93) WAS SENTENCED BY UNITED STATES DISTRICT JUDGE JEROME
 SIMANDLE TO THREE YEARS IN JAIL, ORDERED TO PAY \$500,000
 RESTITUTION AND \$50,000 FINE FOR HIS PART IN THE ISSUANCE OF A
 \$1,250,000 NOMINEE LOAN TO ROBERT LIBUTTI. THE LOAN WAS

29B-9961-131

SEARCHED INDEXED
 SERIALIZED FILED

Approved: Approved by SSA GUNA
on 5-23-94 ggOriginal filename: EG000111143 RTI

Time Received: _____

Telprep filename: EG0001150143MRI/JULIAN DATE: 1268/143ISN: 10FOX DATE & TIME OF ACCEPTANCE: 2159 5/23/94 Ker

^PAGE 2, NK 29B-9961, UNCLAS

GRANTED BY KRUCKEL WITH INTENT TO INJURE AND DEFRAUD UNITED NATIONAL BANK (UNB).

AS THE BUREAU HAS BEEN PREVIOUSLY ADVISED KRUCKEL AND LIBUTTI WERE INDICTED ON 10/29/92. AFTER NUMEROUS PRE-TRIAL HEARINGS THE JUDGE RULED THE TRIAL TO BE "SEVERED." KRUCKEL'S TRIAL STARTED ON 9/13/93 IN CAMDEN, NJ, AND HE WAS FOUND GUILTY ON 10/15/93. LIBUTTI'S TRIAL STARTED ON 1/10/94 AND HE WAS FOUND GUILTY OF BANK FRAUD, CONSPIRACY AND FAILURE TO PAY INCOME TAXES ON 2/25/94.

LIBUTTI'S TRIAL AND CONVICTION RECEIVED VERY FAVORABLE PUBLICITY WITHIN THE REGIONAL AREA DUE TO THE FOLLOWING FACTS:

- 1) LIBUTTI IS A WELL KNOWN FIGURE IN THOROUGHBRED RACING AS THE AGENT FOR A SERIES OF SUCCESSFUL RACEHORSES, SOME OF WHICH RAN IN THE KENTUCKY DERBY.
- 2) LIBUTTI IS ALSO A WELL KNOWN FIGURE IN VARIOUS ATLANTIC CITY CASINOS, LIBUTTI IS REPORTEDLY THE BIGGEST LOSER IN CASINO HISTORY, \$12 MILLION SINCE 1986.

^PAGE 3, NK 29B-9961, UNCLAS

LIBUTTI WAS SCHEDULED TO BE SENTENCED ON 5/20/94 HOWEVER,
DUE TO POST TRIAL MOTIONS JUDGE SIMANDLE HAS POSTPONED THE
SENTENCING TO 7/8/94.

ALSO, FOR THE INFORMATION OF THE BUREAU IT IS NOTED THAT
CAPTIONED CASE WAS RANKED AS THE MOST SIGNIFICANT BANK FRAUD
CASE IN THE UNITED STATES ATTORNEY'S OFFICE, DISTRICT OF NEW
JERSEY "SIGNIFICANT CASES REPORT" FOR THE PERIOD OF 1991-1993.
BT

29B-9961-133

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 10 1994	



602

b6
b7C

ALL
9-21

Convicted con man says he's too ill for prison

By **DAVID GLOVIN**
Staff Writer

Bid to delay sentencing denied

NEWARK — Racked by what doctors say is debilitating heart disease and severe claustrophobia, convicted swindler Robert LiButti has told a federal judge that he will die if he is sentenced to prison in his criminal case or forced to submit to questioning in a related civil proceeding.

LiButti, formerly of Saddle River, said he is so ill that after helping lawyers prepare a three-page legal document last month, he was forced to take four nitroglycerin pills and wait five hours before he was calm enough to sign his name to it.

"I am absolutely convinced that I will die if I am incarcerated," LiButti wrote on Oct. 25 as part of a request to indefinitely postpone his scheduled Nov. 3 sentencing. U.S. District Court Judge Jerome Simandle, sitting in Camden, denied the request and set sentencing for Nov. 18.

Prosecutors have asked Simandle to sentence the 62-year-old LiButti to 8 to ten years in prison on his February conviction for defrauding a Franklin Lakes bank of \$1.25 million and evading payment of \$3.3 million in income taxes.

One of the biggest gambling losers in Atlantic City history, LiButti has been portrayed by prosecutors as a sophisticated con man who concealed his assets from the Internal Revenue Service despite losing \$12 million at the tables, living in \$2 million houses, and selling racehorses to celebrities.

LiButti was convicted of defrauding Urban National Bank of \$1.25 million in 1986. Prosecutors also proved that LiButti failed to pay taxes for 1970, 1971, 1987, and 1988.

LiButti's attorney, David Fassett of Chatham, maintains in court papers that his client suffers from "significant" heart disease and "severe claustrophobia," which precludes LiButti from undergoing surgery to repair the cardiac ailment.

Quoting a letter from a psychiatrist who is treating LiButti for claustrophobia, Fassett said that "incarceration is more than life-threatening" to LiButti and will almost surely provoke a fatal heart attack. Fassett added that LiButti, who is also under the care of a cardiologist, is now resting at his home in Gladstone.

"He's very sick," Fassett said in an interview, adding that he will ask Simandle to impose a non-custodial sentence. "One may say gravely sick."

Prosecutors argue that LiButti

should not be spared from jail because of his condition. "The Bureau of Prisons has excellent medical facilities that are capable of taking care of a person with Mr. LiButti's physical and mental problems," Assistant U.S. Attorney Deborah Gannette said.

A second assistant prosecutor, Bruce Levy, has raised questions about the extent of LiButti's illnesses. At a court hearing last month on LiButti's request to delay his sentencing, he noted that LiButti spent a week in August doing business in Saratoga, N.Y., while the racetrack there was in session.

LiButti is not the first federal defendant to claim that his illnesses should keep him out of jail. U.S. District Court Judge John W. Bissell in 1990 sentenced Englewood developer Donald Ivaldi, who was convicted of racketeering, to two years under house arrest because prison officials could not deal with a blend of ailments that

included heart disease, claustrophobia, and a panic disorder. In a separate but related civil lawsuit, LiButti is arguing that his ailments prevent him from answering deposition questions from an IRS lawyer. Fassett claims the "emotional stress" of a deposition could bring on a heart attack.

The IRS subpoenaed LiButti to testify as part of its defense in a lawsuit brought by LiButti's daughter, Edith, a Mahwah horse breeder. Edith LiButti sued the IRS after it seized Devil His Due, a champion thoroughbred racehorse that she says she owns but which the IRS claims is actually her father's.

Kevin McKeon, an IRS spokesman, said the agency will fight LiButti's attempt to quash the deposition subpoena. In the meantime, Devil His Due remains in the IRS' control, coming in a disappointing 11th place in the \$3 million Breeders Cup Classic in Kentucky on Saturday.

Indicate page, name of
paper, city and state.)

BERGEN RECORD

Edition:

11/10/94

Title:

P.3

Character:
or

29B-9961

29B 9961 - 134

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 18 1994	
FBI - NEWARK	

Jan

Accomplishment must be reported and loaded into ISRAA
(within 30 days from date of accomplishment)

Date Prepared 14. 1. 14
Date Loaded 12/9/94
Data Loader's initials E.O.

Does Accomplishment Involve: (check all that apply)	
Drugs	<input type="checkbox"/>
A Fugitive	<input type="checkbox"/>
Bankruptcy Fraud	<input type="checkbox"/>
Computer Fraud/Abuse	<input type="checkbox"/>
Corruption of Public Officials	<input type="checkbox"/>
Forfeiture Assets	<input type="checkbox"/>
Sub Invest Asst by FO (s)	<input type="checkbox"/>

Assist. FO(s)
A, B, C, D, E

Assisting Agents Soc. Sec. No.^x

1.

Name: _____

2.

Name: _____File Number

29B-9961

Stat Agent Soc. Sec. No.

Stat Agent Name

RA	Squad
----	-------

GMRA	GM#2
------	------

Task Force

Investigative Assistance or Technique Used					
1-Used, but did not help		3 - Helped, substantially		4 - Absolutely essential	
2 -Helped, minimally					
For Sub. Invest. Assist. by other FO (s) indicate A,B,C,D,E for corresponding FO					
Rate FO(s)	IAT	Rate FO(s)	IAT	Rate FO(s)	IAT
	Financ. Analyst		Lab. Div. Exams		UCO - Group I
	Aircraft Asst.		Lab. Div. Field Sup.		UCO - Group II
	Computer Asst.		Pen Registers		UCO - Other
	Consensual Mon.		Photo Coverage		NCAVC / VI - CAP
	ELSUR / FISC		Polygraph Asst.		Visual Invest. Anal.
	ELSUR / Title III		Search Warrants		Crisis Neg. - Fed.
	Eng. Sect. Field Supt.		Show Money Usage		Crisis Neg. - Local
	Eng. Sect. Tap Exams		SOG Asst.		ERT Assistance
	Hypnosis Asst.		Swat Team Action		Butte-ITC
	Evidence Purchase		Tech. Agnt./or Equip.		Savannah-ITC
	Informant /CW Info.		Telephone Toll Recs.		

A. Complaint / Information / Indictment
Also Complete Section H
Complaint Date _____
Check if Civil Rico Complaint ☐
Information Date _____
Indictment Date _____

B. Arrest / Locate / Summons
Arrest Date _____

☐ Federal ☐ Local ♦
 Subject Priority: ☐ A ☐ B ☐ C
☐ Subject Resisted
☐ Subject was armed

Locate Date _____
 Subject Priority: ☐ A ☐ B ☐ C

Summons Date _____
☐ Federal ☐ Local ♦

C. Hostage(s) Released Date _____
Released by: ☐ Terrorist ☐ Other _____
Number of Hostages: _____
Child Located Date _____

D. Recovery / Restitution / PELP X ♦

Recovery Date _____

☒ Federal ☐ Local

Code • Amount

	S
	S

Restitution Date 12/2/94

☒ Court Ordered

☐ Pretrial Diversion

Code • Amount

01	S 250,000
----	-----------

PELP Date _____

Code • Amount

	S
--	---

E. Civil Rico Matters Date _____
Also Complete Section H

or

Other Civil Matters Date _____

Judgment _____

Judicial Outcome _____ X

Amount: \$ _____

Suspension:

Years	Months

F. Administrative Sanctions Date _____

Type: Length:

☐ Suspension ☐ Permanent

☐ Debarment ☐

Years	Months

☐ Injunction

Subject Description Code_____*

G. Final Judicial Process Conviction

Also Complete Section H

Date of Conviction: 2/18/94

Date of Sentence: 12/2/94

[Redacted]

Judicial State: NJ District: NJ

Sentence type: IS

Sentence Term:

In-Jail		Suspended		Probation	
Years	Months	Years	Months	Years	Months
5	—		—		—

Fines: \$

Title	Section	Counts
18	371	1
18	1344	1

Required for Sections A, E, and G (Conviction)
Optional for Section B (arrest)

Acquittal / Dismissal / Pretrial Diversion
 Acquittal Date _____
 Dismissal Date _____
 Pretrial Diversion Date _____

I. Subject Information (Required for Sections A, B, D (Restitution), E, F, and G)					
Name	Date of Birth	Race *	Sex	Place of Birth (if available)	Social Security No. (if available)
ROBERT LIBUTTI	2/20/30	W	M	Union City, N.J.	145-24-4417

☐ Subject Related to an LCN, Asian Organized Crime (AOC), or Italian Organized Crime (IOC) Group. (Submit form FD-515a for indictments and convictions only)

✕ Additional information may be added by attaching another form or a plain sheet of paper for additional entries.
 ♦ Requires that a written explanation on plain paper be attached. (Court Ordered Restitution does not require a written explanation)
 • See codes on reverse side.

Serial No. of FD-515
135

Received 12/9/94

PROPERTY CODES

- 01 Cash
- 02 Stocks, Bonds or Negot. Instruments
- 03 General Retail Merchandise
- 04 Vehicles
- 05 Heavy Machinery & Equipment
- 06 Aircraft
- 07 Jewelry
- 08 Vessels
- 09 Art, Antiques or Rare Collections
- 11 Real Property
- 20 All Other

SENTENCE TYPES

- CP Capital Punishment
- JS Jail Sentence
- LS Life Sentence
- NS No Sentence (Subject is a Fugitive, Insane, has Died, or is a Corporation)
- PB Probation
- SJ Suspension of Jail Sentence
- YC Youth Correction Act

PELP CODES

- 22 Counterfeit
Stocks/Bonds/Currency/
Negotiable Instruments
- 23 Counterfeit/Pirated Sound
Recordings or Motion Pictures
- 24 Bank Theft Scheme Aborted
- 25 Ransom, Extortion or Bribe
Demand Aborted
- 26 Theft From or Fraud Against
Government Scheme Aborted
- 27 Commercial or Industrial
Theft Scheme Aborted
- 30 All Other

RACE CODES

- A Asian/Pacific Islander
- B Black
- I Indian/American
- U Unknown
- W White
- X Nonindividual

JOINT AGENCY CODES

- ACIS Army Criminal Investigative Service
- BATF Bureau of Alcohol, Tobacco & Firearms
- BIA Bureau of Indian Affairs
- DCAA Defense Contract Audit Agency
- DCIS Defense Criminal Investigative Service
- DEA Drug Enforcement Administration
- DOC Department of Corrections
- DOI Dept. of Interior
- EPA Environmental Protection Agency
- FAA Federal Aviation Administration
- FDA Food and Drug Administration
- HHS Dept. of Health & Human Services
- HUD Dept. of Housing & Urban Development
- INS Immigration and Naturalization Service
- IRS Internal Revenue Service
- NASA Nat'l Aeronautics & Space Admin
- NBIS Nat'l NARC Border Interdiction
- NCIS Naval Criminal Investigative Service
- RCMP Royal Canadian Mounted Police
- SBA Small Business Administration
- USBP U.S. Border Patrol
- USCS U.S. Customs Service
- USDS U.S. Department of State
- USPS U.S. Postal Service
- USSS U.S. Secret Service
- USTR U.S. Treasury
- LOC Local
- CITY City
- COUN County
- ST State
- OTHR Other

JUDGMENT CODES

- CJ Consent Judgment
- CO Court Ordered Settlement
- DF Default Judgment
- DI Dismissal
- JN Judgment Notwithstanding
- MV Mixed Verdict
- SJ Summary Judgment
- VD Verdict for Defendant
- VP Verdict for Plaintiff

JUDICIAL OUTCOME

- AG Agreement
- BR Barred/Removed
- CC Civil Contempt
- DC Disciplinary Charges
- FI Fine
- PI Preliminary Injunction
- PR Temporary Restraining Order
- PS Pre-filing Settlement
- RN Restitution
- SP Suspension
- VR Voluntary Resignation
- OT Other

SUBJECT PRIORITY

- A Subject wanted for crimes of violence (i.e., murder, manslaughter, forcible rape) against another individual or convicted of such a crime in the past five years
- B Subject wanted for crimes involving loss or destruction of property valued in excess of \$25,000 or convicted of such a crime in the past five years.
- C All other subjects.

SUBJECT DESCRIPTION CODES

ORGANIZED CRIME SUBJECTS

- 1F Boss
- 1G Underboss
- 1H Consigliere
- 1J Acting Boss
- 1K Capodecina
- 1L Soldier

KNOWN CRIMINALS

- 2A Top Ten or L.O. Fugitive
- 2B Top Thief
- 2C Top Con Man

FOREIGN NATIONALS

- 3A Legal Alien
- 3B Illegal Alien
- 3C Foreign Official W/out
Diplomatic Immunity
- 3D U.N. Employee W/out
Diplomatic Immunity
- 3E Foreign Student
- 3F All Others

OTHERS

- 8A All Other Subjects
- 8B Company or Corporation

TERRORISTS

- 4A Known Member of a
Terrorist Organization
- 4B Possible Terrorist Member
or Sympathizer

UNION MEMBERS

- 5D President
- 5E Vice-President
- 5F Treasurer
- 5G Secretary/Treasurer
- 5H Executive Board Member
- 5I Business Agent
- 5J Representative
- 5K Organizer
- 5L Business Manager
- 5M Financial Secretary
- 5N Recording Secretary
- 5P Office Manager
- 5Q Clerk
- 5R Shop Steward
- 5S Member
- 5T Trustee
- 5U Other

GOVERNMENT SUBJECTS

- 6A Presidential Appointee
- 6B U.S. Senator/Staff
- 6C U.S. Representative/Staff
- 6D Federal Judge/Magistrate
- 6E Federal Prosecutor
- 6F Federal Law Enforcement Officer
- 6G Federal Employee - GS 13 & Above
- 6H Federal Employee - GS 12 & Below
- 6J Governor
- 6K Lt. Governor
- 6L State Legislator
- 6M State Judge/Magistrate
- 6N State Prosecutor
- 6P State Law Enforcement Officer
- 6Q State - All Others
- 6R Mayor
- 6S Local Legislator
- 6T Local Judge/Magistrate
- 6U Local Prosecutor
- 6V Local Law Enforcement Officer
- 6W Local - All Others
- 6X County Commissioner
- 6Y City Councilman

BANK EMPLOYEES

- 7A Bank Officer
- 7B Bank Employee

12/09/94

***** RESTITUTION *****

~~SENSITIVE~~ / UNCLASSIFIED

Case Number: 029B 029 0009961
Serial No.:

Stat Agent Name: [REDACTED]
Stat Agent SOC.: [REDACTED]

Report Date: 12/09/1994
Accom Date.: 12/02/1994

b6
b7C
b7E

Does Accomplishment Involve

Drugs : N
A Fugitive. : N
Bankruptcy Fraud. : N
Computer Fraud/Abuse. : N
Corruption of Public Officials: N
Forfeiture Assets : N

Assisting Agents SOC

o
o
o
o
o

Subject Name

LIBUTTI, ROBERT

RA Squad Task Force

GMRA GM2

Sub. Invest. Asst by Other FOs:

Investigative Assistance or Technique Used

[REDACTED] FINAN ANALYST
[REDACTED] AIRCRAFT ASST
[REDACTED] COMPUTER ASST
[REDACTED] CONSEN MONITR
[REDACTED] ELSUR/FISC
[REDACTED] ELSUR/III
[REDACTED] ENG FIELD SUP
[REDACTED] ENG TAPE EXAM
[REDACTED] HYPNOSIS ASST
[REDACTED] EVIDNCE PURCH
[REDACTED] INFORMANT/CW

[REDACTED] LAB DIV EXAMS
[REDACTED] LAB FIELD SUP
[REDACTED] PEN REGISTERS
[REDACTED] PHOTO COVERGE
[REDACTED] POLYGRAPH
[REDACTED] SRCH WAR EXEC
[REDACTED] SHOW MONEY
[REDACTED] SOG ASST
[REDACTED] SWAT TEAM
[REDACTED] TECH AG/EQUIP
[REDACTED] TEL TOLL RECS

[REDACTED] UCO-GROUP I
[REDACTED] UCO-GROUP II
[REDACTED] UCO-OTHER
[REDACTED] NCAVC/VI-CAP
[REDACTED] VISUAL INVEST
[REDACTED] CRIS NEG-FED
[REDACTED] CRIS NEG-LOC
[REDACTED] ERT ASST
[REDACTED] BUTTE-ITC
[REDACTED] SAVANNAH-ITC

1 = Used, but did not help
2 = Helped, Minimally
3 = Helped, Substantially
4 = Absolutely Essential

b7E

Restitution Court Ordered or by Pretrial Diversion (C/P). .: C

Restitution Property

CODE	AMOUNT	CODE	AMOUNT
----	-----	----	-----
01	\$ 250000		\$

Accomplishment Narrative

~~SENSITIVE~~ / UNCLASSIFIED

12/09/94

***** CONVICTION *****

SENSITIVE / UNCLASSIFIED

Case Number: 029B 029 0009961
Serial No.:

Stat Agent Name:

Stat Agent SOC.:

Report Date: 12/09/1994

Accom Date.: 12/02/1994

b6

b7C

b7E

Does Accomplishment Involve

Drugs : N
A Fugitive. : N
Bankruptcy Fraud. : N
Computer Fraud/Abuse. : N
Corruption of Public Officials: N
Forfeiture Assets : N

Assisting Agents SOC

o
o
o
o
o

Subject Name

LIBUTTI, ROBERT

RA Squad Task Force

GMRA GM2

Sub. Invest. Asst by Other FOs:

Investigative Assistance or Technique Used

FINAN ANALYST	LAB DIV EXAMS	UCO-GROUP I
AIRCRAFT ASST	LAB FIELD SUP	UCO-GROUP II
COMPUTER ASST	PEN REGISTERS	UCO-OTHER
CONSEN MONITR	PHOTO COVERGE	NCAVC/VI-CAP
ELSUR/FISC	POLYGRAPH	VISUAL INVEST
ELSUR/III	SRCH WAR EXEC	CRIS NEG-FED
ENG FIELD SUP	SHOW MONEY	CRIS NEG-LOC
ENG TAPE EXAM	SOG ASST	ERT ASST
HYPNOSIS ASST	SWAT TEAM	BUTTE-ITC
EVIDNCE PURCH	TECH AG/EQUIP	SAVANNAH-ITC
INFORMANT/CW	TEL TOLL RECS	

1 = Used, but did not help
2 = Helped, Minimally
3 = Helped, Substantially
4 = Absolutely Essential

b7E

Date of Conviction (MM/DD/YYYY) : 02/18/1994

Date of Sentencing (MM/DD/YYYY) : 12/02/1994

Federal or Local (F/L). : F
Felony or Misdemeanor (F/M) : F

Plea or Trial (P/T) : T
Judicial State. : NJ
Judicial District : NJ
Type of Sentence . . . : JS

	Year	Month	U.S. Code Violation		
	----	----	Title	Section	Counts
Time in Jail. . :	5		18	371	1
Time Suspended.:			18	1344	1
Probation Time.:			26	7201	1
Total Fines. . :\$			26	7203	2

Accomplishment Narrative

SENSITIVE / UNCLASSIFIED

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 12/20/94

FM FBI NEWARK (29B-9961) (P)

TO DIRECTOR FBI/ROUTINE/

BT

UNCLAS

CITE: //3510:3413//

SUBJECT: THEODORE VINCENT KRUCKEL, JR., AKA TED
 KRUCKEL, JR., PRESIDENT, URBAN NATIONAL BANK OF FRANKLIN
 LAKES, NEW JERSEY; ROBERT LIBUTTI, AKA ROBERT
 PRESTI; ET AL; FIF; OO: NEWARK.

RE: NEWARK TELETYPE TO THE BUREAU, DATED 5/23/94.

FOR INFORMATION OF THE BUREAU, ON 12/2/94, CAPTIONED
 SUBJECT, ROBERT LIBUTTI, WAS SENTENCED BY UNITED STATES
 DISTRICT JUDGE SIMANDLE TO FIVE YEARS IN JAIL AND ORDERED TO
 PAY \$250,000 IN RESTITUTION FOR COMMITTING BANK FRAUD,
 CONSPIRACY AND FAILURE TO PAY INCOME TAXES. THE BANK FRAUD
 AGAINST URBAN NATIONAL BANK (UNB) INVOLVED KRUCKEL'S (FORMER

29B-9961-136
 SEARCHED INDEXED
 SERIALIZED FILED

Approved: Approved by SRA in GMR 2/80 Original filename: EG0002U.354 GJI

Time Received: 12/2/94 Telprep filename: EG0002S0.354

MRI/JULIAN DATE: 125/356 ISN: 6

FOX DATE & TIME OF ACCEPTANCE: 0200 12/22/94 KRC
 del 1/19/95 3/5/95

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UNB BANK PRESIDENT) ISSUANCE OF A \$1,250,000 NOMINEE LOAN TO ROBERT LIBUTTI.

KRUCKEL WAS SENTENCED ON 5/17/94, FOR HIS PART IN THE ISSUANCE OF THE \$1,250,000 NOMINEE LOAN.

AS THE BUREAU HAS BEEN PREVIOUSLY ADVISED KRUCKEL AND LIBUTTI WERE INDICTED ON 10/29/92. AFTER NUMEROUS PRE-TRIAL HEARINGS THE JUDGE RULED THE TRIAL TO BE "SEVERED." KRUCKEL'S TRIAL STARTED ON 9/13/93 IN CAMDEN, NJ, AND HE WAS FOUND GUILTY ON 10/15/93. LIBUTTI'S TRIAL STARTED ON 1/10/94 IN CAMDEN AND HE WAS FOUND GUILTY OF BANK FRAUD, CONSPIRACY AND FAILURE TO PAY INCOME TAXES ON 2/25/94.

LIBUTTI'S TRIAL AND CONVICTION RECEIVED VERY FAVORABLE PUBLICITY WITHIN THE REGIONAL AREA DUE TO THE FOLLOWING FACTS:

- 1) LIBUTTI IS A WELL KNOWN FIGURE IN THOROUGHBRED RACING AS THE AGENT FOR A SERIES OF SUCCESSFUL RACEHORSES, SOME OF WHICH RAN IN THE KENTUCKY DERBY.

- 2) LIBUTTI IS ALSO A WELL KNOWN FIGURE IN VARIOUS ATLANTIC CITY CASINOS, LIBUTTI IS REPORTEDLY THE BIGGEST LOSER IN CASINO HISTORY, \$12 MILLION SINCE 1986.

Date _____

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage* ☐ Motor Vehicle

☒ Other *SUBSCRIBER CITEK*

To		Buded
Return to		File number
Name and aliases of subject, applicant, or employee, and spouse		

b6
b7C

Addresses

Residence

Business

Former

*Date and place of marriage
(if applicable)

Race	Sex <input type="checkbox"/> Male <input type="checkbox"/> Female	Age	Height	Weight	Hair	Eyes
Birth date	Birthplace					
Arrest Number	Fingerprint classification			Criminal specialty		
Social Security Number				Drivers License Number		

Specific information desired

SUBSCRIBER + ADDRESS FOR TR. #

Results of check

*Already covered
info sent to
SA [redacted]
6/4/93*

*Assigned lead
to [redacted]
Raul
6-4-93*

29-B-994/-108

SEARCHED	SERIALIZED
JUN - 4 1993	
FBI - NEWARK	

[Signature]

b6
b7C